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6 IN THE UNITED STATES DISTRICT COURT
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8 FOR THE NORTHERN DISTRICT OF CALIFORNIA
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10 CONNELL & ASSOCIATES, DAVID
11 WILLIAM CONNELL HUBLER, and
12 OMAR GERARDO ORTIZ CASTANEDA,

No. C 17-03175 WHA

13 Plaintiffs,

14 v.

ORDER STAYING ACTION

15 SHANE CLARIDGE WHITE, JACK
16 TEETERS, and YULISSA ZULAICA,

Defendants.
_____/

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18 This civil RICO action centers around a property in Puerto Vallarta, Mexico purchased
19 by Thomas White, an American businessman and philanthropist who lived in Mexico until his
20 death in 2013. White purchased the property at issue, Casa Blanca, in 1998 with the assistance
21 of his attorneys at Connell & Associates, including plaintiff David William Connell Huber
22 (“Attorney Connell”) (Compl. ¶¶ 6, 19).

23 In 2003, White was detained in Thailand on charges of child prostitution and extradited
24 to Mexico, where he was held in prison. Meanwhile, Connell & Associates continued to serve
25 as attorneys for his business ventures in Puerto Vallarta. Among other business ventures,
26 Connell & Associates set up Hotel Mismaloya (“HM”). In 2006, White transferred the interest
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1 in Casa Blanca to HM, and in 2008 he transferred the shares of HM to defendant Shane
2 Claridge White, his adopted son, and Deborah Kelley, Shane's mother. (*id.* ¶¶ 6–10, 13).¹

3 In 2010, White sold all of HM's assets except Casa Blanca. In 2012, however, White
4 allegedly expressed concern that Casa Blanca was exposed to creditors and was a potential tax
5 liability, and asked Connell & Associates to help him develop a plan to shield Casa Blanca.
6 They discussed different options, and eventually White decided to transfer the title of Casa
7 Blanca to a Mexican bank trust, establish a limited liability company in the United States,
8 CBPV LLC, and name CBPV LLC as the beneficiary of the Mexican bank trust (*id.* ¶¶ 11–15).


9 In October 2012, Casa Blanca was transferred out of HM to the Mexican Bank trust with
10 CBPV LLC as its beneficiary. In order to effect this transfer, Shane and Deborah Kelley, who
11 owned the shares of HM, allegedly signed transfer documents and returned them to Connell &
12 Associates. The shares of CBPV LLC were put in Attorney Connell's name. In 2013, while
13 still in prison, White died (*id.* ¶¶ 12–15, 20).

14 Subsequently a dispute arose over who has rightful ownership of Casa Blanca. Four
15 separate legal actions have arisen from this dispute, two in Mexico and two in the United States.

16 *First*, in May 2016, Attorney Connell filed an action in Mexico to compel Kelley to
17 appear and provide evidence to support his claim of ownership of Casa Blanca. When Kelley
18 did not appear at the hearing on the action, Attorney Connell took possession of Casa Blanca
19 (*id.* ¶¶ 27–29). In August 2016, however, Kelley filed an appeal in the Mexican action claiming
20 that he had not been properly notified of the hearing on Casa Blanca and asking that the
21 decision be nullified. That appeal is ongoing.

22 *Second*, in November 2016, Kelley and his attorney Yulissa Zulaica filed criminal
23 charges against Attorney Connell in Mexico, stating that he had fraudulently transferred the title
24 of Casa Blanca from HM to CBPV LLC without Kelley's knowledge. This criminal action is
25 still ongoing (*id.* ¶¶ 30–33).

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28 ¹ Shane has since changed his last name from White to Kelley, and is referred to hereinafter as
"Kelley."



WILLIAM ALSUP
UNITED STATES DISTRICT JUDGE